

entitled "Airworthiness Directives: Bombardier Model C1 600 1A11 and CL 600 2A12 Series Airplanes; docket No. 99-NM-26 [10-16/10-23]" (RIN2120-AA64) (2000-0501) received on October 23, 2000; to the Committee on Commerce, Science, and Transportation.

EC-11285. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 757-200 Series Airplanes; docket No. 2000-NM-286 [10-11/10-23]" (RIN2120-AA64) (2000-0499) received on October 23, 2000; to the Committee on Commerce, Science, and Transportation.

EC-11286. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model C1-600-2B19 Series Airplanes; docket No. 2000-NM-312 [10-16/10-23]" (RIN2120-AA64) (2000-0498) received on October 23, 2000; to the Committee on Commerce, Science, and Transportation.

EC-11287. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update" (Notice 2000-55) received on October 23, 2000; to the Committee on Finance.

EC-11288. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the transmittal of the certification of the proposed issuance of an export license relative to Greece; to the Committee on Foreign Relations.

EC-11289. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a waiver and certification of statutory provisions regarding the Palestine Liberation Organization; to the Committee on Foreign Relations.

EC-11290. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the 1999 Annual Report of the National Institute of Justice (NIJ); to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

Mr. McCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably nomination lists which were printed in the RECORDS of the dates indicated, and ask unanimous consent, to save the expenses of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

Coast Guard nominations beginning Janet B. Gammon and ending Thomas C. Thomas, which nominations were received by the Senate and appeared in the Congressional Record on October 19, 2000.

Coast Guard nominations beginning Mark S. Telich and ending Deborah A. Dombeck, which nominations were received by the Senate and appeared in the Congressional Record on October 19, 2000.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first

and second times by unanimous consent, and referred as indicated:

By Mr. EDWARDS (for himself, Mr. JEFFORDS, and Mr. LEAHY):

S. 3228. A bill to promote the development of affordable, quality rental housing in rural areas for low-income households; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KERREY:

S. 3229. A bill to amend the Internal Revenue Code of 1986 to allow a tax credit for the cost of certain equipment used to convert public television broadcasting from analog to digital transmission; to the Committee on Finance.

By Mr. LUGAR (for himself and Mr. HARKIN):

S. 3230. A bill to reauthorize the authority for the Secretary of Agriculture to pay costs associated with removal of commodities that pose a health or safety risk and to make adjustments to certain child nutrition programs; considered and passed.

By Mr. KYL (for himself and Mr. MCCAIN):

S. 3231. A bill to provide for adjustments to the Central Arizona Project in Arizona, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LOTT:

S.J. Res. 55. A joint resolution to change the Date for Counting Electoral Votes in 2001; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SCHUMER:

S. Res. 381. A resolution designating October 16, 2000, to October 20, 2000, as "National Teach For America Week"; considered and agreed to.

By Mrs. HUTCHISON (for herself, Mr. GRAMM, and Mr. WARNER):

S. Res. 382. A resolution recognizing and commending the personnel of the 49th Armored Division of the Texas Army National Guard for their participation and efforts in providing leadership and command and control of the United States sector of the Multi-national Stabilization Force in Tuzla, Bosnia-Herzegovina; considered and agreed to.

By Mr. L. CHAFEE (for himself, Mr. HELMS, Mr. LEAHY, Mr. TORRICELLI, Mr. DEWINE, and Mr. DODD):

S. Con. Res. 155. A concurrent resolution expressing the sense of Congress that the Government of the United States should actively support the aspirations of the democratic political forces in Peru toward an immediate and full restoration of democracy in that country; considered and agreed to.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

Mr. EDWARDS (for himself, Mr. JEFFORDS, and Mr. LEAHY):

S. 3228. A bill to promote the development of affordable, quality rental housing in rural areas for low-income households; to the Committee on Banking, Housing, and Urban Affairs.

THE RURAL RENTAL HOUSING ACT OF 2000

Mr. EDWARDS. Mr. President, I rise to introduce legislation to promote the development of affordable, quality rental housing for low-income households in rural areas. I am pleased,

along with Senator JEFFORDS and Senator LEAHY, to introduce the "Rural Rental Housing Act of 2000."

There is a pressing and worsening need for quality rental housing for rural families and senior citizens. As a group, residents of rural communities are the worst housed of all our citizens. Rural areas contain approximately 20 percent of the nation's population as compared to suburbs with 50 percent. Yet, twice as many rural American families live in bad housing than in the suburbs. An estimated 2,600,000 rural households live in substandard housing with severe structural damage or without indoor plumbing, heat, or electricity.

Substandard housing is a particularly grave problem in the rural areas of my home state of North Carolina. Ten percent or more of the population in five of North Carolina's rural counties live in substandard housing. Rural housing units, in fact, comprise 60 percent of all substandard units in the state.

Even as millions of rural Americans live in wretched rental housing, millions more are paying an extraordinarily high price for their housing. One out of every three renters in rural America pays more than 30 percent of his or her income for housing; 20 percent of rural renters pay more than 50 percent of their income for housing.

Most distressing is when people living in housing that does not have heat or indoor plumbing pay an extraordinary amount of their income in rent. Over 90 percent of people living in housing in the worst conditions pay more than 50 percent of their income for housing costs.

Unfortunately, our rural communities are not in a position to address these problems alone. They are disproportionately poor and have fewer resources to bring to bear on the issue. Poverty is a crushing, persistent problem in rural America. One-third of the non-metropolitan counties in North Carolina have 20 percent or more of their population living below the poverty line. In contrast, not a single metropolitan county in North Carolina has 20 percent or more of its population living below the poverty line. Not surprisingly, the economies of rural areas are generally less diverse, limiting jobs and economic opportunity. Rural areas have limited access to many forces driving the economy, such as technology, lending, and investment, because they are remote and have low population density. Banks and other investors, looking for larger projects with lower risk, seek metropolitan areas for loans and investment. Credit in rural areas is often more expensive and available at less favorable terms than in metropolitan areas.

Given the magnitude of this problem, it is startling to find that the federal government is turning its back on the situation. In the face of this challenge, the federal government's investment in rural rental housing is at its lowest

level in more than 25 years. Federal spending for rural rental housing has been cut by 73 percent since 1994. Rural rental housing unit production financed by the federal government has been reduced by 88 percent since 1990. Moreover, poor rural renters do not fair as well as poor urban renters in accessing existing programs. Only 17 percent of very low-income rural renters receive housing subsidies, compared with 28 percent of urban poor. Rural counties fared worse with Federal Housing Authority assistance on a per capita basis, as well, getting only \$25 per capita versus \$264 in metro areas. Our veterans in rural areas are no better off: Veterans Affairs housing dollars are spent disproportionately in metropolitan areas.

To address the scarcity of rural rental housing, I believe that the federal government must come up with new solutions. We cannot simply throw money at the problem and expect the situation to improve. Instead, we must work in partnership with State and local governments, private financial institutions, private philanthropic institutions, and the private and nonprofit sectors to make headway. We must leverage our resources wisely to increase the supply and quality of rural rental housing for low-income households and the elderly.

Senator JEFFORDS, Senator LEAHY, and I are proposing a new solution. Today, we introduce the Rural Rental Housing Act of 2000 to create a flexible source of financing to allow project sponsors to build, acquire or rehabilitate rental housing based on local needs. We demand that the federal dollars to be stretched by requiring State matching funds and by requiring the sponsor to find additional sources of funding for the project. We are pleased that over 70 housing groups from 26 states have already indicated their support for this legislation.

Let me briefly describe what the measure would do. We propose a \$250 million fund to be administered by the United States Department of Agriculture (USDA). The funds will be allotted to states based on their shares of rural substandard units and of the rural population living in poverty. We will leverage federal funding by requiring states or other non-profit intermediaries to provide a dollar-for-dollar match of project funds. The funds will be used for the acquisition, rehabilitation, and construction of low-income rural rental housing.

The USDA will make rental housing available for low-income populations in rural communities. The population served must earn less than 80 percent area median income. Housing must be in rural areas with populations not exceeding 25,000, outside of urbanized areas. Priority for assistance will be given to very low income households, those earning less than 50 percent of area median income, and in very low-income communities or in communities with a severe lack of affordable

housing. To ensure that housing continues to serve low-income populations, the legislation specifies that housing financed under the legislation must have a low-income use restriction of not less than 30 years.

The Act promotes public-private partnerships to foster flexible, local solutions. The USDA will make assistance available to public bodies, Native American tribes, for-profit corporations, and private nonprofit corporations with a record of accomplishment in housing or community development. Again, it stretches federal assistance by limiting most projects from financing more than 50 percent of a project cost with this funding. The assistance may be made available in the form of capital grants, direct, subsidized loans, guarantees, and other forms of financing for rental housing and related facilities.

Finally, the Act will be administered at the state level by organizations familiar with the unique needs of each state rather than creating a new federal bureaucracy. The USDA will be encouraged to identify intermediary organizations based in the state to administer the funding provided that it complies with the provisions of the Act. These intermediary organizations can be states or state agencies, private nonprofit community development corporations, nonprofit housing corporations, community development loan funds, or community development credit unions.

This Act is not meant to replace, but to supplement the Section 515 Rural Rental Housing program, which has been the primary source of federal funding for affordable rental housing in rural America from its inception in 1963. Section 515, which is administered by the USDA's Rural Housing Service, makes direct loans to non-profit and for-profit developers to build rural rental housing for very low income tenants. Our support for 515 has decreased in recent years—there has been a 73 percent reduction since 1994—which has had two effects. It is practically impossible to build new rental housing, and our ability to preserve and maintain the current stock of Section 515 units is hobbled. Fully three-quarters of the Section 515 portfolio is more than 20 years old. Currently \$60 million of the \$115 million appropriation in fiscal year 2000 is used to preserve existing stock.

The time has come for us to take a new look at a critical problem facing rural America. How can we best work to promote the development of quality rental housing for low-income people in rural America? My colleagues and I believe that to answer this question, we must comply with certain basic principles. We do not want to create yet another program with a large federal bureaucracy. We want a program that is flexible, that fosters public-private partnerships, that leverages federal funding, and that is locally controlled. We believe that the Rural

Rental Housing Act of 2000 satisfies these principles and will help move us in the direction of ensuring that everyone in America, including those in rural areas, have access to affordable, quality housing options.

Mr. President, I request that the text of the legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Rental Housing Act of 2000".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) There is a pressing and increasing need for rental housing for rural families and senior citizens:

(A) Two-thirds of extremely low-income and very low-income rural households do not have access to affordable rental housing units.

(B) More than 900,000 rural rental households (10.4 percent) live in either severely or moderately inadequate housing.

(C) Substandard housing is a problem for 547,000 rural renters, and approximately 165,000 rural rental units are overcrowded.

(2) Many rural United States households live with serious housing problems, including a lack of basic water and wastewater services, structural insufficiencies, and overcrowding:

(A) 28 percent, or 10,400,000, rural households in the United States live with some kind of serious housing problem.

(B) Approximately 1,000,000 rural renters have multiple housing problems.

(C) An estimated 2,600,000 rural households live in substandard housing with severe structural damage or without indoor plumbing, heat, or electricity.

(3) One-third of all renters in rural America are paying more than 30 percent of their income for housing:

(A) 20 percent of rural renters pay more than 50 percent of their income for housing.

(B) 92 percent of all rural renters with significant housing problems pay more than 50 percent of their income for housing costs, and 60 percent paying more than 70 percent of their income for housing.

(4) Rural economies are often less diverse, and therefore, jobs and economic opportunity are limited:

(A) Factors existing in rural environments, such as remoteness and low population density, lead to limited access to many forces driving the economy, such as technology, lending, and investment.

(B) Local expertise is often limited in rural areas where the economies are focused on farming and/or natural resource-based industries.

(5) Rural areas have less access to credit than metropolitan areas:

(A) Banks and other investors, looking for larger projects with lower risk, seek metropolitan areas for loans and investment.

(B) Often, credit that is available is insufficient, leading to the need for interim or bridge financing.

(C) Credit in rural areas is often more expensive and available at less favorable terms than in metropolitan areas.

(6) The Federal Government investment in rural rental housing has dropped during the last 10 years, as—

(A) Federal spending for rural rental housing has been cut by 73 percent since 1994; and

(B) Rural rental housing unit production financed by the Federal Government has been reduced by 88 percent since 1990.

(7) To address the scarcity of rural rental housing, the Federal Government must work in partnership with State and local governments, private financial institutions, private philanthropic institutions, and the private sector, including nonprofit organizations.

SEC. 3. DEFINITIONS.

In this Act:

(1) **ELIGIBLE RURAL AREA.**—The term “eligible rural area” means a rural area with a population of not more than 25,000, as determined by the most recent decennial census of the United States, and located outside an urbanized area.

(2) **ELIGIBLE PROJECT.**—The term “eligible project” means a project for the acquisition, rehabilitation, or construction of rental housing and related facilities in an eligible rural area for occupancy by low-income families.

(3) **ELIGIBLE SPONSOR.**—The term “eligible sponsor” means a public agency, an Indian tribe, a for-profit corporation, or a private nonprofit corporation—

(A) a purpose of which is planning, developing, or managing housing or community development projects in rural areas; and

(B) that has a record of accomplishment in housing or community development and meets other criteria established by the Secretary by regulation.

(4) **LOW-INCOME FAMILIES.**—The term “low-income families” has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(5) **QUALIFIED INTERMEDIARY.**—The term “qualified intermediary” means a State, a State agency designated by the Governor of the State, a private nonprofit community development corporation, a nonprofit housing corporation, a community development loan fund, or a community development credit union, that—

(A) has a record of providing technical and financial assistance for housing and community development activities in rural areas; and

(B) has a demonstrated technical and financial capacity to administer assistance made available under this Act.

(7) **SECRETARY.**—The term “Secretary” means the Secretary of Agriculture.

(8) **STATE.**—The term “State” means the States of the United States, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territories of the Pacific, and any other possession of the United States.

SEC. 4. RURAL RENTAL HOUSING ASSISTANCE.

(a) **IN GENERAL.**—The Secretary may, directly or through 1 or more qualified intermediaries in accordance with section 5, make assistance available to eligible sponsors in the form of loans, grants, interest subsidies, annuities, and other forms of financing assistance, to finance the eligible projects.

(b) **APPLICATIONS.**—

(1) **IN GENERAL.**—To be eligible to receive assistance under this section, an eligible sponsor shall submit to the Secretary, or a qualified intermediary an application in such form and containing such information as the Secretary shall require by regulation.

(2) **AFFORDABILITY RESTRICTION.**—Each application under this subsection shall include a certification by the applicant that the house to be acquired, rehabilitated, or constructed with assistance under this section will remain affordable for low-income families for not less than 30 years.

(c) **PRIORITY FOR ASSISTANCE.**—In selecting among applicants for assistance under this

section, the Secretary, or a qualified intermediary, shall give priority to providing assistance to eligible projects—

(1) for very low-income families (as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))); and

(2) in low-income communities or in communities with a severe lack of affordable rental housing, in eligible rural areas, as determined by the Secretary; or

(3) applications submitted by public agencies, Indian tribes, private nonprofit corporations or limited dividend corporations in which the general partner is a non-profit entity whose principal purposes include planning, developing and managing low-income housing and community development projects.

(d) **ALLOCATION OF ASSISTANCE.**—In carry-out out this section, the Secretary shall allocate assistance among the States, taking into account the incidence of rural substandard housing and rural poverty in each State and the State's share of the national total of such indices.

(e) **LIMITATIONS ON AMOUNT OF ASSISTANCE.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), assistance made available under this Act may not exceed 50 percent of the total cost of the eligible project.

(2) **EXCEPTION.**—Assistance authorized under this Act shall not exceed 75 percent of the total cost of the eligible project, if the project is for the acquisition, rehabilitation, or construction of not more than 20 rental housing units for use by very low-income families.

SEC. 5. DELEGATION OF AUTHORITY.

(a) **IN GENERAL.**—The Secretary may delegate authority for distribution of assistance to one or more qualified intermediaries in the State. Such delegation shall be for a period of not more than 3 years, and shall be subject to renewal, in the direction of the Secretary, for 1 or more additional periods of not to exceed 3 years.

(b) **SOLICITATION.**—

(1) **IN GENERAL.**—The Secretary may, in the discretion of the Secretary, solicit applications from qualified intermediaries for a delegation of authority under this section.

(2) **CONTENTS OF APPLICATION.**—Each application under this subsection shall include—

(A) a certification that the application will—

(i) provide matching funds from sources other than this Act in an amount that is not less than the amount of assistance provided to the applicant under this section; and

(ii) distribute assistance to eligible sponsors in the State in accordance with section 4; and

(B) a description of—

(i) the State or the area within a State to be served;

(ii) the incidence of poverty and substandard housing in the State or area to be served;

(iii) the technical and financial qualifications of the applicants; and

(iv) the assistance sought and a proposed plan for the distribution of such assistance in accordance with section 4.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act \$250,000,000 for each of fiscal years 2001 through 2005.

Mr. LEAHY. Mr. President, I rise today to offer my support for the Rural Rental Housing Act of 2000. This bill takes a much needed step toward reestablishing the federal government's commitment to quality affordable housing in rural areas and I am proud to be a cosponsor of this legislation.

The need for a new federal matching grant program to encourage the production, rehabilitation and acquisition of rural rental housing has never been more evident than it is today. Families across the country in small towns, where property is often high and resources scarce, are finding themselves with fewer and fewer options for a safe and affordable place to live. In my home state of Vermont, like many other states across the country, we are in the middle of an affordable housing crisis. Housing costs are soaring and rental vacancy rates are alarmingly low. For those fortunate enough to find an apartment it is increasingly difficult to afford the rent that the market demands. Recent studies suggest that while the need for rental units continues to grow in Vermont, estimated production levels are drastically inadequate to meet demand.

Despite this trend, the federal government has consistently scaled back their commitment to production and rehabilitation of rental housing. Rural rental production has dropped nearly 88% since 1990, and the funding for subsidized housing has fallen by 73% since 1994. This decline has made it difficult to produce new housing and maintain the current obligations and existing stock. In Vermont roughly 4,091 rental units were produced with federal assistance between 1976 and 1985, but during the next ten years this number fell to under two thousand—nearly half of what was produced the decade before, despite the rising need.

Nationally it is estimated that 2.6 million households live in substandard housing with severe structural damage or without indoor plumbing, heat, or electricity. Unfortunately, rural areas often have less appeal for investment from financial institutions and are often isolated from social services that are more accessible in urban areas to help address these problems.

The Rural Rental Housing Act will provide \$250 million dollars for a matching federal grant program to be administered by the United States Department of Agriculture to address this situation. These funds will complement existing programs run by the Rural Housing Service at USDA and will be used in a variety of ways to increase the supply, the affordability, and the quality of housing for the most needy residents, the lowest income families and the elderly. Most importantly the program is designed to be administered at the state and local level and to encourage public-private partnerships to best address the unique needs of each state.

I encourage my colleagues to support this legislation and am committed to work with Senator EDWARDS to reintroduce this bill in the 107th Congress.

Mr. KERREY:

S. 3229. A bill to amend the Internal Revenue Code of 1986 to allow a tax credit for the cost of certain equipment

used to convert public television broadcasting from analog to digital transmission; to the Committee on Finance. TO ESTABLISH A TAX CREDIT FOR PUBLIC TELEVISION DIGITAL TRANSMISSION CONVERSIONS

Mr. KERREY. Mr. President, we often use the tax code as a tool to reward certain taxpayer behaviors. Today, I am pleased to introduce a bill that would reward the behavior of individuals or groups who step forward to help finance the digital transmission conversions of the 348 public television stations across the United States.

Mr. President, public television is an extremely important public good, which brings creative, non-commercial TV programming of the highest quality to citizens in all 50 states, Puerto Rico, the U.S. Virgin Islands, Guam and American Samoa. Public television is available to 99 percent of American homes—and serves nearly 100 million people each week.

Throughout the U.S., 171 non-commercial, educational licensees operate 348 PBS member stations. Of the 171 licensees, 87 (51%) are community organizations, 55 (32%) are colleges or universities, 21 (12%) are state authorities and 8 (5%) are local educational or municipal authorities.

As my colleagues may remember, regulations promulgated by the FCC, pursuant to the Telecommunications Act of 1996, require all public television stations to convert their analog transmission equipment and systems to digital transmission by May 1, 2003. This is a very expensive—though important—Federal government mandate. The mandate is particularly burdensome for public television stations because, as non-profit entities, they rely primarily on the charitable donations of their viewers for financial sustenance.

In some states, all of the public television transmission equipment is operated and managed by an umbrella organization. In Nebraska, for example, Nebraska Educational Telecommunications (NET) operates nine transmitters and seventeen translators across the state. The cost of simultaneously replacing all of this equipment in a large, but sparsely populated, state is particularly burdensome.

I have been working with public broadcasters in the State of Nebraska to reduce the financial burden imposed by this government mandate. The legislation I am introducing today is the product of our discussions.

This legislation will provide a tax credit to individuals or groups that provide funding for the purchase or construction of qualified conversion equipment for a qualified public TV digital conversion project. Qualified conversion equipment would include: transmission towers, transmission equipment, production equipment (including cameras, recorders, software and editing systems), retransmission equipment, and transformers. The proposed tax credit is equal to the full cost of the conversion equipment, but

the taxpayer will be limited to 1/6th of the credit each year over a six-year period. The individuals or groups who fund these conversions would not be able to charge rents for use of the equipment or claim depreciation for the equipment—the tax credit would be the sole benefit.

I am confident that citizens and groups across the United States would take advantage of this tax credit for the benefit of their local public television stations. While time is running out for action on this legislation during the 106th Congress, I am hopeful that the 107th Congress will work together with the next Administration to alleviate the financial burden on public television stations through the enactment of this legislation.

Mr. KYL (for himself and Mr. McCAIN):

S. 3231. A bill to provide for adjustments to the Central Arizona Project in Arizona, and for other purposes; to the Committee on Energy and Natural Resources.

ARIZONA WATER SETTLEMENTS ACT OF 2000

Mr. KYL. Mr. President, on behalf of Senator McCain and myself I am introducing legislation today that would codify the largest water claims settlement in the history of Arizona. The affected parties have been negotiating for several years, and they are getting very close to finalizing these settlement agreements. They still have much work to do; but I am confident that a comprehensive settlement of these issues will be achieved. Therefore, we are introducing this bill today so that all interested Arizonans and others can have time to analyze the proposed language and make suggestions for changes that will enable us to submit a consensus bill early in the next session of Congress.

There are a few major issues that have not been resolved. To the extent that the parties are close to agreement on certain issues, we have included language in the bill that attempts to capture the essence of where the negotiations stand at the moment. For example, although differences remain, the parties are relatively close to agreement on the process to be followed in negotiating intergovernmental agreements. The legislation will have to be changed, therefore, before it is reintroduced in the next Congress, to precisely reflect the agreement reached between the parties. In addition, the timing of the waivers to be issued by the Gila River Indian Community is tied to, among other things, a transfer of a minimum amount of federal funds from the Lower Colorado River Basin Development Fund into the Gila River Indian Community Settlement Development Trust Fund. The relevant parties recognize that the settlement agreement needs more definition of uses of the funds and the precise timing of the transfers, and that the ultimate legislative language will reflect that consensus.

There are other issues that have not been resolved. For example, Section 213 of the bill has been left open for the resolution of the “Upper Gila Valley” (including the City of Safford) issues. Those negotiations are continuing, but have not progressed enough to produce language that can be included in this version of the bill. In addition, Title IV of the bill has been left open for a possible settlement of the claims of the San Carlos Apache Tribe. We will work with the parties over the next few months to ensure that, prior to its reintroduction next year, the bill is modified to reflect the ultimate resolution of these issues. Of course, if those parties choose to litigate their differences, rather than settle them by negotiation, we will not include titles for them in the final bill.

Mr. President, I am submitting for the RECORD a statement supporting this legislation signed by all eight members of the Arizona Congressional delegation. I am also submitting a letter of support from Arizona Governor Jane Dee Hull. I ask unanimous consent that these statements be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE ARIZONA CONGRESSIONAL DELEGATION REGARDING THE ARIZONA WATER SETTLEMENTS ACT OF 2000, OCTOBER 24, 2000

We are pleased to announce that legislation was introduced today to resolve issues relating to the repayment obligations of the State of Arizona for construction of the Central Arizona Project (CAP), allocation of remaining CAP water (including the use of nearly 200,000 acre-feet of water to satisfy the water rights claims of the Gila River Indian Community, the Tohono O’odham Nation, and other Arizona Indian tribes), and other issues, including final settlement of all claims to waters of the Gila River and its tributaries.

Legislation is needed to codify several aspects of the settlement of these various water related issues. Although not all water users have reached agreement on all issues, negotiations are continuing at a rapid pace. We, therefore, expect that all of the remaining differences will be resolved and settlement agreements will be signed by the parties in the next two months. When final agreements are signed, we intend to introduce the final version of legislation to effectuate those settlements. In the meantime, we have introduced this first version of legislation to demonstrate our commitment to the settlement process, and to allow all interested parties the time to suggest changes to precisely reflect the terms of the settlement.

One of the purposes of this legislation is to implement the settlement (in lieu of adjudication) of all of the water rights claims to the Gila River and its tributaries. Once this legislation is enacted, and the presiding judge approves the settlement, water litigation over rights to the waters of the Gila River, which has been ongoing since 1978, will be terminated. Resolution of this case, and of other issues addressed in the settlement agreements, will help to ensure that there is a more stable and certain water supply for the various water users. This is a significant benefit to the citizens of Arizona, the tribes, and the United States.

The legislation will also resolve several issues. For example, it will effectuate a settlement of litigation between the state and federal government over the state's repayment obligation for construction of the Central Arizona Project. It also amends the Colorado River Basin Project Act of 1968 to authorize the Secretary of the Interior to expend funds from the Lower Colorado River Basin Development Fund to construct irrigation distribution systems to deliver CAP water to the Gila River Indian Community and other CAP water users.

In addition, this legislation authorizes the reallocation of 65,647 acre-feet of CAP water for use by Arizona communities, and the reallocation of nearly 200,000 acre-feet for the settlement of Indian water claims.

We compliment the parties for their hard work and their commitment to resolving these difficult and sometimes contentious issues. We hope and expect that all parties will continue to negotiate in good faith to resolve the remaining issues.

Since the parties have not yet completed their negotiations, this bill is, of necessity, also a work in progress. We point out that some of the provisions in the bill may have to be modified (e.g. Section 207 has not been totally agreed to by all interested parties), and other provisions will have to be added (e.g. resolution of conflicts involving water users in the Upper Gila Valley, the City of Safford, and the San Carlos Apache Tribe).

We note that, while Interior staff have been active in the ongoing negotiations and have served on the committees drafting the bill, the Department of the Interior has not had an opportunity to vet some sections of this draft prior to its introduction. One reason for introducing this bill now rather than waiting until the final settlement agreement has been completed, is to enable Secretary Babbitt to analyze and comment upon the draft legislation before he leaves office in January. Secretary Babbitt has been a major participant in the negotiations over the last two years; and his input into the final legislation will be very important to the successful conclusion of the process.

In summary, our intention is to initiate public discussion of the issues and elicit constructive comments on this bill. Our plan is to reintroduce a modified form of this bill early in the 107th Congress. We expect that the necessary settlement agreements will be complete and signed prior to reintroduction. In relation to the Gila River Indian Community Settlement, we expect that all of the participants named in the attached list will support the settlement agreement, and the implementing legislation. Section 213 has been left open for additional parties to the agreement.

We hope that agreement can be reached to settle the claims of the San Carlos Apache Tribe. Title IV has been left open for this purpose. However, if the San Carlos Tribe cannot reach agreement with the other parties, including the United States, it is our intention to proceed without Title IV. A separate San Carlos settlement will have to be pursued at a later date.

We pledge our continuing effort to work with the parties to successfully conclude these historic settlements.

John McCain, U.S. Senator; Bob Stump, Member of Congress, Jon Kyl, U.S. Senator; Jim Kolbe, Member of Congress; Ed Pastor, Member of Congress; Matt Salmon, Member of Congress; J.D. Hayworth, Member of Congress; John Shadegg, Member of Congress.

SETTLEMENT PARTICIPANTS

Gila River Indian Community.
United States—Department of the Interior;
Department of Justice.

State of Arizona/Arizona Department of Water Resources.

Central Arizona Water Conservation District.

Salt River Project.

Roosevelt Water Conservation District.

ASARCO.

Phelps Dodge.

City of Mesa.

City of Chandler.

City of Scottsdale.

City of Peoria.

City of Glendale.

City of Phoenix.

Maricopa Stanfield Irrigation and Drainage District.

Central Arizona Irrigation and Drainage District.

San Carlos Irrigation and Drainage District.

Town of Coolidge.

Hohokam Irrigation and Drainage District.

Gila Valley Irrigation District.

Franklin Irrigation District.

City of Safford.

Town of Kearney.

Graham County Utilities.

Arizona State Land Department.

Arizona Water Company.

City of Tempe.

Arizona Game and Fish.

City of Casa Grande.

Town of Gilbert.

Town of Florence.

Town of Duncan.

Buckeye Irrigation Company.

Roosevelt Irrigation District.

New Magma Irrigation and Drainage District.

STATE OF ARIZONA,
October 11, 2000.

Hon. JON KYL,
U.S. Senate, Hart Office Building, Washington,
DC.

DEAR SENATOR KYL: I commend you for the introduction of the draft legislation the Arizona Water Settlements Act of 2000. This bill will maintain the momentum toward the completion of negotiations on difficult water issues concerning the Central Arizona Project, the Gila River Indian Community, the Tohono O'odham Nation, and the San Carlos Apache Tribe.

The Central Arizona Project is the lifeblood of Arizona. Confirming the repayment settlement between the United States and the Central Arizona Water Conservation District will benefit all of Arizona's taxpayers. Confirming the agreement between the Secretary of the Interior and the Arizona Department of Water Resources on the allocation of CAP water will provide for Arizona's future.

It is my understanding that when this legislation is reintroduced in the next congressional session, the parties will approve the Gila River Indian Community settlement agreement. The Governor of the State of Arizona has traditionally been a signatory to Indian water rights settlements and I expect to be a signatory to the Gila settlement. However, I want to emphasize that I will only support a complete settlement of the Gila River Indian Community claims. For example, the economic well being of the upper Gila River Valley communities and agricultural interests is of great interest to the State of Arizona. I understand that much work remains to revolve these upper valley issues and I urge all the participants to reach an agreement as part of the overall settlement.

Again, I commend your efforts to move the process along, and I look forward to our continued work together on Arizona water resource issues.

Sincerely,

JANE DEE HULL,
Governor.

Mr. MCCAIN. Mr. President, I am pleased to join my colleague, Senator KYL, as a co-sponsor to this important legislation, the Arizona Water Settlements Act of 2000, to ratify a negotiated settlement for Central Arizona Project water allocations to municipalities, agricultural districts and Indian tribes in the state of Arizona. This settlement reflects extensive negotiations by state, federal, and tribal parties.

Let me begin by commending the extraordinary commitment and diligence by all parties involved in these negotiations to reach this pivotal stage in the settlement process, which as I understand is near conclusion. I also praise my colleague, Senator JON KYL, and the Interior Secretary, Bruce Babbitt, for their front-line leadership in facilitating the settlement process. From my previous role in legislating past agreements, I recognize how challenging these negotiations can be, and I appreciate their personal commitment to this settlement process.

This legislation is vitally important to Arizona's future because it will finally bring certainty and stability to Arizona's water supply by completing the final adjudication of the Gila River. Repayment obligations of the state of Arizona for construction of the Central Arizona Project (CAP) will be addressed as part of this bill. Pending water rights claims to the Gila River and its tributaries by various Indian tribes and non-Indian users will be permanently settled and allocated.

I join Senator KYL, and the rest of the Arizona delegation, in sponsoring companion bills today to express our strong support for continuation and conclusion of this settlement process. While much of the negotiations have successfully resulted in consensus language among the various parties, it is important to emphasize that this bill does not reflect the final settlement agreement. All parties recognize that the provisions of this bill are likely to change as the negotiations continue and additional parties settle remaining claims. We fully expect that settlement negotiations will continue with a final agreement ratified in the 107th congressional session.

Mr. President, my sponsorship of this bill indicates my strong support for the settlement process and I expect that further negotiations will be carried out in good-faith among all parties. However, I want to be clear that my support today is not a full endorsement of all the provisions in this preliminary bill.

This is a particularly important point as several provisions in this bill are not typical of language included in past Indian water settlement agreements ratified by the Congress. These noted provisions are intended to prescribe future off-reservation Indian trust land acquisitions for the Gila River Indian Community, one of the primary Indian parties to the settlement. Inclusion of these provisions is

intended to address water management concerns of the state in the event that the tribe removes lands from either public or private use to be added into federal Indian trust land status.

Mr. President, Indian trust land acquisitions are the subject of much debate nationwide. In fact, the Department of Interior has proposed modifications to its existing regulations to address many of the same concerns raised by the state parties regarding potential impacts to resource management, loss of tax revenues, or other impacts to neighboring communities. These regulations have not been finalized to date.

Despite my support for the overall settlement, I believe it unwise to include ad hoc language that applies restrictions to only one particular tribe when overall changes to the underlying federal law governing Indian trust land acquisitions have not been settled. Such modifications to federal Indian trust land policies should also be guided by the review and advice of the congressional committees of jurisdiction. I hope that continuing discussions on this matter will result in a resolution that respects both the rights of the Indian tribes and the state of Arizona, consistent with applicable laws.

Mr. President, we introduce this bill today as an expression of our commitment to the various parties to successfully achieve conclusion to this process. The Arizona Water Settlements Act will be a historic accomplishment and one that will ultimately benefit all citizens of Arizona, the tribal communities, and the United States.

ADDITIONAL COSPONSORS

S. 1570

At the request of Mr. LUGAR, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1570, a bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 to promote identification of children eligible for benefits under, and enrollment of children in, the medicaid and State Children's Health Insurance programs.

S. 2789

At the request of Mr. COCHRAN, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from South Dakota (Mr. JOHNSON), and the Senator from Mississippi (Mr. LOTT) were added as cosponsors of S. 2789, a bill to amend the Congressional Award Act to establish a Congressional Recognition for Excellence in Arts Education Board.

S. 2887

At the request of Mr. GRASSLEY, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 2887, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. 2938

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2938, a bill to prohibit United States assistance to the Palestinian Authority if a Palestinian state is declared unilaterally, and for other purposes.

S. 3067

At the request of Mr. JEFFORDS, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Minnesota (Mr. WELLSTONE), and the Senator from Washington (Mr. GORTON) were added as cosponsors of S. 3067, a bill to require changes in the bloodborne pathogens standard in effect under the Occupational Safety and Health Act of 1970.

S. 3089

At the request of Mr. HAGEL, the names of the Senator from Minnesota (Mr. GRAMS) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 3089, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial

S. 3131

At the request of Mr. MURKOWSKI, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 3131, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians and other health care providers that are attempting to properly submit claims under the medicare program and to ensure that the Secretary targets truly fraudulent activity for enforcement of medicare billing regulations, rather than inadvertent billing errors.

S. 3145

At the request of Mr. BREAUX, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Tennessee (Mr. THOMPSON) were added as cosponsors of S. 3145, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment under the tax-exempt bond rules of prepayments for certain commodities

S. 3181

At the request of Mr. HAGEL, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 3181, a bill to establish the White House Commission on the National Moment of Remembrance, and for other purposes.

S. 3198

At the request of Mr. JEFFORDS, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 3198, a bill to provide a pool credit under Federal milk marketing orders for handlers of certified organic milk used for Class I purposes.

S. CON. RES. 138

At the request of Mr. WELLSTONE, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. Con. Res. 138, a concurrent resolution expressing the sense of Congress that a day of peace and sharing should

be established at the beginning of each year.

S. RES. 340

At the request of Mr. REID, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. Res. 340, a resolution designating December 10, 2000, as "National Children's Memorial Day."

SENATE CONCURRENT RESOLUTION 155—EXPRESSING THE SENSE OF CONGRESS THAT THE GOVERNMENT OF THE UNITED STATES SHOULD ACTIVELY SUPPORT THE ASPIRATIONS OF THE DEMOCRATIC POLITICAL FORCES IN PERU TOWARD AN IMMEDIATE AND FULL RESTORATION OF DEMOCRACY IN THAT COUNTRY

Mr. L. CHAFEE (for himself, Mr. HELMS, Mr. LEAHY, Mr. TORRICELLI, Mr. DEWINE, and Mr. DODD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 155

Whereas democracy in Peru suffered a severe setback when the Government of Peru, headed by President Alberto Fujimori, manipulated democratic electoral processes and failed to establish the conditions for free and fair elections—both for the April 9, 2000, election and the May 28, 2000, run off—by not taking effective steps to correct the "insufficiencies, irregularities, inconsistencies, and inequities" documented by the Organization of American States (OAS) and other independent election observers;

Whereas the absence of free and fair elections in Peru has further undermined democracy in that country and constitutes a major setback for the Peruvian people and for democracy in the Hemisphere; and

Whereas the fate of Peruvian democracy is a matter that should be decided upon by the people of Peru: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) the Congress—

(1) supports efforts toward restoring democracy in Peru, including the shortening of the term of Alberto Fujimori, the recent call for new elections, and the decision to deactivate the National Intelligence Service (SIN);

(2) is concerned that the same elements which have systematically undermined democratic institutions in Peru and which manipulated the electoral process in April and May 2000 remain in power and are in a position to manipulate the upcoming electoral process; and

(3) supports the efforts of Peruvian democratic civil society to create the necessary conditions for free and fair elections, including improving respect for human rights, the rule of law, the independence and constitutional role of the judiciary and the national congress, and freedom of expression and of the independent media.

(b) It is the sense of Congress that—

(1) it should be the policy of the United States to actively support the aspirations of the democratic political forces in Peru for a credible transition toward the full restoration of democracy and the rule of law in Peru, headed by leaders who are committed to democracy and who enjoy the trust of the Peruvian people;